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MILITARY

(Negative)

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NAME OF OFFICER & OFFICE SYMBOL	DATE OF ACTION 12/14/61	DIRECTIONS TO RM/R

CLASSIFIED FILE

INTERNAL - POLITICAL

1. Leadership -- Ins and Outs. Following 20 days of agricultural barnstorming in the provinces, N.S. KHRUSHCHEV returned to Moscow on November 29, to be met at Vnukovo Airport by his colleagues of the Presidium and Secretariat of the CC-CPSU, BREZHNEV, KOZLOV, KOSYGIN, KUUSINEN, MIKOYAN, SUSLOV, SHVERNIK, DEMICHEV, ILYICHEV, and SHELEPIN (Pravda, November 30). To continue the autumn series of agricultural conferences, he left behind in Siberia two others, POLYANSKIY and VORONOV, the latter of whom is apparently playing an increasingly important role in the direction of agriculture in the Russian Republic. PODGORNIY was presumably at his post in Kiev and SPIRIDONOV at his in Leningrad. PONOMAREV was busy with Italian and Ceylonese Communist Party delegations. All 16 leading members of the top Party organs thus appeared to be accounted for.

The reverberations of the new wave of de-Stalinization continued to be heard, although there seemed to be an effort on the part of the Soviet press to help still the clamor it had aroused by largely ignoring the subject. Two weeks after similar actions in other parts of the country, the Georgian Republic got around to restoring the pre-1934 name of Tskhinvali to the city of Staliniri. (Zarya Vostoka, November 25). Among other name changes that came to light during the week was the rechristening of Voroshilovskiy raion in the city of Voronezh, henceforth to be called Leninskiy raion (Vedomosti Verkhovnogo Soveta RSFSR, No.43, 1961).

One high Soviet leader, trade-union chief V.V. GRISHIN, was reported as having named all eight members of the "anti-Party group", including VOROSHILOV, at the VII Plenum of the All-Union Central Council of Trade Unions (VTsSPS) on November 23 (Pravda, November 25). He singled out MOLOTOV, KAGANOVICH, and MALENKOV as bearing "personal responsibility for mass repressions of Party, Soviet, economic, military workers", but did not repeat the call for their expulsion from the Party, last authoritatively voiced by Komsomol First Secretary PAVLOV on November 17. There has been no indication one way or the other that action has been taken to exclude the three, and the matter presumably still rests with the Party Control Committee, in accordance with the suggestion made by A.N. Shelepin in his speech at the XXII CPSU Congress (October 26).

Strong, but unconfirmed, rumors went the rounds in the Moscow diplomatic corps that Voroshilov had committed suicide. There were also rumors that two students at Moscow University, unsettled by the shattering picture of the Stalin era provided at the XXII Congress, had leaped to their deaths from the upper stories of the University building on Lenin Hills.

According to the husband of Minister of Culture Ye. A. FURTSEVA, who had been dropped from the Presidium of the CC-CPSU on October 31, she has been hospitalized with a heart condition and is recovering.

A Western diplomat was told by a Soviet source whom he considers reliable that ex-Presidium member N.A. MUKHITDINOV was now working as a Deputy Chairman of the Central Union of Consumers' Cooperatives (Tsentrosoyuz). [If this is so, Mukhitdinov, still a full member of the CC-CPSU, is subordinate to a candidate-member of the CC, Tsentrosoyuz's Board Chairman A.F. KLIMOV.] This would be

appropriate post-Presidium employment for Mukhitdinov, since Tsentrosoyuz is reported to be training consumer-cooperative personnel from the underdeveloped countries: Ghana and the Somali Republic have already sent students to Moscow for this purpose, and cooperative officials from Indonesia are expected to arrive soon (TASS, November 30). Mukhitdinov would thus have an opportunity to put to good use the experience he gained during his work as the Presidium's contact-man for Asia and Africa.

2. Large-Scale Illegal Economic Activities Indicate Serious Deficiencies In Planning Mechanism. Twenty-one members of a "brokerage" firm have been sentenced to severe penalties by a court in Leningrad (Sovetskaya Zakonnost', No. 11, November, 1961). The turnover of the head office alone was reported to be 55,000,000 old rubles per month (10 old rubles equal one dollar). The firm expedited orders for goods not available through normal channels, placed by harassed Soviet executives driven to dubious expedients in order to meet plan goals. The firm kept its channels of supply well greased by ample bribes and the furnishing of wine and women, and its customers happy by charging only a modest commission, 1 per cent ad valorem, and by quick fulfillment of orders. There were several branch offices. The leader of this operation was sentenced to be shot.

Also during the week, the existence of a large-scale private manufacturing firm in Frunze was disclosed (Izvestiya, November 25). Beginning with a police raid in which six persons and 31,000,000 old rubles were seized, the investigation ended with 54 persons in the dock. Initially producing lace, which was sold at official prices, the firm made a handsome profit because the supply of lace through official trade channels was critically short. Faced with going out of business when adequate official supplies "ruined" the lace market, the Frunze "capitalists" illegally procured machinery written off by state enterprises as unserviceable and switched to manufacturing rayon. In 1960, the last full year of the firm's five-year existence, it is said to have made a clear profit of 3,200,000 old rubles.

Reports in the Soviet press on these cases have had strong anti-Semitic overtones (Embassy's Despatch No. 463, December 1, 1961). The names of the principal culprits are Jewish and the way in which the reports are written serve to highlight this fact.

COMMENT: The very magnitude of the operations of these "firms" indicates the size of the holes in the economy they plug. Commenting on the Leningrad case, a Soviet observer writes: " ... the 'firm' of Krayzman and company would never have appeared if there had not been serious mistakes in the planning of supply ..." (Sovetskaya Zakonnost', No. 11, November, 1961).

3. Censorship Without the Censor: British Newsman Drugged, French Newsman Expelled. A British newsman of good reputation, who shows a great deal of journalistic initiative, may have been drugged following a trip to Stalingrad to report on local reaction to the name-change to Volgograd (A-400, December 1, 1961). Losing consciousness following a drink, he unsuccessfully tried to resist administration of a hypodermic injection during a subsequent moment of clarity.

Passing out again, he woke up in his hotel room with a sore face and two black eyes. His notes had been inspected. Hotel authorities "explained" that he had had a heart attack and had fallen down. The man considers himself in excellent health.

On the other side of the ledger, not for his own sins, but for material his paper published on November 15, to which the Soviet regime took exception, the Moscow correspondent of the Paris paper Le Figaro was given 48 hours' notice to leave the USSR. He departed on November 29.

COMMENT: Both incidents illustrate the expedients the Soviet Government is prepared to utilize to encourage aggressive correspondents to go slow, and to remind the home paper which values the possession of a Moscow correspondent to use discretion when considering publication of anti-Soviet material.

4. Russification in the Jewish Autonomous Oblast. "Birobidzhan is a place where they have gefillte fish and seven signs in Yiddish. They also have some Jews," according to a reliable Western observer who recently visited the Jewish Autonomous Oblast in Khabarovsk kray. In the course of several days, the visitor reports seeing only seven signs in Yiddish, and, although one street and the public library in Birobidzhan are named after Sholom Aleikhem, that great Jewish writer's portrait is not even displayed in schools. The emphasis is on things Russian. No Yiddish is taught the children, there is no Yiddish theatre, and circulation of the only Yiddish newspaper, the Birobidzhaner Shtern, is still at its minuscular pre-war level of 2,000.

5. Kirgiz CC Plenum on Economic Planning Called for December. The Bureau of the Central Committee of the Kirgiz Communist Party has scheduled a plenary session of the CC for December 20, 1961. In addition to hearing agricultural reports, the plenum is scheduled to hear a report on "Measures for fulfilling the October 7, 1961, resolution of the CC-CPSU and USSR Council of Ministers on 'Steps for More Effective Utilization of Capital Investment and the Strengthening of Control on Bringing Plants Now Under Construction into Operation'" (Sovetskaya Kirgiziya, November 28, 1961).

COMMENT: The emphasis recently attached to this subject at the XXII CPSU Congress, the wide-spread criticism of planning at all levels, the much publicized need to increase productivity, and Khrushchev's admonition that the nation must concentrate its resources on the completion of projects now under construction, suggest the possibility that a plenum of the CC-CPSU on this theme may be scheduled to follow Republic CC plenums, perhaps early in 1962. January would be an opportune month for such a meeting, following the series of All-Union and Republic Supreme Soviet budget sessions scheduled for December.

EXTERNAL - POLITICAL (BEGIN CONFIDENTIAL)

6. Kennedy-Adzhubei Interview. The transcript of the interview given by President Kennedy to Izvestiya editor Adzhubei on November 25 in Hyannis Port was printed in Izvestiya in full on November 28. The Izvestiya version faithfully followed the official transcript except for a remark by Adzhubei concerning Khrushchev's 1959 visit to the US. Adzhubei actually said, "But unfortunately the results of that trip were not completely satisfying." In Izvestiya this was altered to read, "But unfortunately the positive results of that trip were wrecked, brought to nought, by the well-known actions of the then American Administration." The alteration can be readily explained by the fact that the original text was open to interpretation as denoting a failure of Khrushchev's style of diplomacy, whose meetings with western leaders have been a subject of controversy within the world communist movement.

Although the interview was carried by Izvestiya and mentioned in other Soviet newspapers, the latter did not summarize the content of the interview or even report its main points. But Soviet propaganda media subsequently have displayed extreme sensitivity to the point made by the President that West Germany does not now and cannot in the future represent a military threat to the USSR, a point which undermines the basic rationale for the Soviet campaign to sign a separate peace treaty with the GDR and to change West Berlin's status.

Preliminary Soviet public reactions to the interview were those of undisguised interest and hope that its publication in Izvestiya is a harbinger of improved US-Soviet relations. (END CONFIDENTIAL)

7. Nuclear Testing. On the eve of the resumption of the nuclear test ban talks in Geneva, the Soviets publicly presented a draft agreement calling on nuclear powers, including France, to undertake an obligation not to conduct nuclear tests in the atmosphere, outer space, under water, and under ground. The draft agreement made no provision for international control but suggested that national detection systems should be used to observe adherence to the obligations undertaken not to test in the atmosphere, outer space and under water. With regard to underground testing, the Soviets suggested that the nuclear powers undertake a voluntary moratorium until a control system could be worked out within the context of complete and general disarmament.

The Soviet draft agreement and the statement which accompanied it appeared designed (1) to exert maximum possible pressure against further testing by the US, thus protecting any advantages the Soviets may have gained through their recent test series; (2) to seize the propaganda initiative; (3) to undermine the inspection and control measures under discussion at Geneva in connection with the test ban treaty; and (4) to make the Soviet draft agreement rather than the US-UK Draft Treaty tabled in April, 1961 the basis for further negotiation.

8. Berlin/Germany. With the exception of the publication of the President's interview in Izvestiya and reportage of the President's press conference, the Berlin question did not occupy its usual place of prominence in the Soviet press during the week.

The second of the two trials of German tourists for alleged espionage on behalf of the US was completed on November 30. Mr. and Mrs. Werner were convicted and sentenced to 15 and 7 years respectively.

The Werner trial, as in the earlier trial of the German students Naumann and Sonntag was reported on a daily basis by Soviet information media, but not in a highly sensational manner. Werner's alleged SS background and alleged US responsibility in both trials were the elements most frequently stressed in the coverage.

9. Kekkonen Visit. Following his brief meeting with Khrushchev in Novosibirsk on November 24, Finnish President Kekkonen departed for Moscow on November 25 and left for Finland the same evening. The Soviet press printed the text of Khrushchev's speech at his luncheon for Kekkonen in Novosibirsk on November 25, the text of the joint communique on November 26, and subsequently reported Kekkonen's speech after his return to Helsinki in which he said that no secret understandings were undertaken during his visit to Novosibirsk.

Although superficially immediate Soviet pressure against Finland appears to have been lifted, western observers in Moscow generally interpreted the developments in Soviet-Finnish relations flowing from the October 30 Soviet note as an increase of Soviet influence over Finland and a corresponding weakening of Finnish sovereignty.

Khrushchev's speech at his lunch for Kekkonen was notable for its references to Norwegian and Danish NATO relationships, its formal association of Kekkonen with Paasikivi as the formulator of the correct Finnish line for relations with the USSR, its inverted admission of Soviet interference in Finnish internal affairs, and its bald assertion of Soviet power over Finland implicit in the lack of an apology in making Kekkonen come out to Siberia in order to see Khrushchev.

10. Soviet Support of US Communist Party. Both the major and the minor Soviet press have carried on an uninterrupted campaign against the requirement under the internal Security Act calling upon US Communist Party leaders to register as agents of a foreign power. In the Soviet view, the law reflected an attempt to muzzle and to outlaw the Communist Party of the US.

The Soviet campaign was obviously meant to disparage the US political system, to divert attention from the lack of democracy in their own political structure, and to convey the impression of sympathy and solidarity with the Communist movement in the US. The action can also be set-off against the recently adopted CPSU program and activities of the 22nd Party Congress to make it appear to the Soviet public that while the Soviet Union is moving in the direction of greater democracy, the US is going in the opporite direction.

11. CONGO. Commentaries in the Soviet press within the past week suggest that the Soviets are intent upon breaking Tshombe and of using the UN in every possible way to achieve the removal of Western influence in the Katanga. At the same time, the Soviets clearly appear to be sanctioning the activities of Gizenga and seeking to prevent the UN from taking any action against him. In connection with the latter point, the Soviets have opposed the transfer of UN troops to the

Kindu area, contending that Gizenga and Lundula have undertaken actions to stop disorders in that area. According to the Soviets, Gizenga has been driven to his present course of action as a result of Adoula's ineffectiveness against Tshombe.

12. BRAZIL. The Soviet press announced on Nov. 24 that diplomatic relations had been re-established with Brazil. For several days following the announcement the Soviet press reported that the move was widely endorsed throughout Brazil and other Latin American countries as an important contribution to peace.

The departure of Brazilian CP leader Prestes from the USSR was ostentatiously reported by the Soviet press the day after announcing the resumption of relations. The implication to Soviet readers was that Prestes (who had been in the USSR since the opening of the Party Congress in October) had played an important role in this action.

13. Soviet-Yugoslav Relations. On the occasion of the Yugoslav national holiday, Pravda published a commentary which made it clear that the Soviets have no intention at the moment to seek a rapprochement in relations between the Communist parties of the two countries. Nevertheless, Pravda reiterated a comment made by Khrushchev at the 22nd Party Congress that the Soviet Union would at the same time seek to promote and strengthen state relations with Yugoslavia. Presidium members Kosygin and Grishin attended the Yugoslav Embassy reception.

14. ALBANIA. The Albanian national day of November 29 provided an opportunity to the Soviets to display hostility toward the Albanian communist leaders. Newspaper articles harked on previous Soviet assistance to Albania and undying Soviet friendship for the Albanian people, and kept up the invective against the Albanian leadership, which was brought into the open at the 22nd Congress. Official Soviet attendance at the Albanian Embassy reception was sparse and low-level. The Albanian Charge is reported to have told a neutral diplomat that the Soviets asked the Albanian ambassador to leave the USSR about 10 days ago.

Striking back at Soviet attacks, the Albanian Embassy here sent to apparently all at least non-bloc missions (except the US, British and West German) documents stating the Albanian case against the Soviet leadership. One of these was a Russian translation of the full text of Hoxha's Nov. 7, 1961, speech, bitterly attacking Khrushchev.

MILITARY

(Negative)

For the Ambassador:
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Boris H. Klosson
Counselor for Political Affairs

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